

CUBAN TOURISM EXPERIENCES A DECLINE FROM ESSENTIAL SOURCE MARKETS



In 2024, Cuba is still struggling with a decrease in tourist arrivals. The decline is attributed to various factors, including the COVID-19 pandemic, economic challenges, and geopolitical tensions.

According to the latest data from the state-run Oficina Nacional de Estadística e Información (ONEI), **Cuba received 1.6 million international tourists by the end of August, a 3.5% decrease compared to last year.** These figures are well below the optimistic forecasts of the government for Cuban tourism. The government expected 3.2 million tourists in 2024 but revised the forecast to 2.7 million later. Even this revised goal now seems unreal.

Tourism from Canada, traditionally Cuba's largest source market, has significantly declined. In the first eight months of the year, 665,871 Canadians traveled to Cuba, about 10,000 fewer than the previous year.

Cuba has also experienced a notable decrease in visitors from Europe and the U.S. The number of visitors from the U.S. dropped to 104,352, and there were also significant losses from Spain, Germany, France, and Italy. The decline was particularly notable among Cubans living abroad visiting the country, a segment playing a significant role for Cuban tourism. Their numbers fell by 15.7% to 203,318. Although this group is included in the official tourism figures, many visitors do not use tourist services such as hotels, reducing the revenue from this segment.

On the other hand, Cuba has seen a significant increase in visitors from Russia, Mexico, and Argentina. Russian tourists increased by an impressive 124.8% to 132,935, attributed to bilateral agreements between Cuba and Russia to promote tourism. The number of visitors from Mexico and Argentina also increased slightly, by 6.7% and 4.9% respectively. However, these gains were not sufficient to offset the overall decline.

In August, only 144,981 tourists visited Cuba, which is similar to the number in 2022 but lower than last year. This makes August the second lowest month of the year, with June being the weakest at 134,948 tourists. Despite extensive advertising campaigns, discounts, and the opening of new hotels, tourist arrivals are still declining. To reach the annual target of 2.7 million tourists, Cuba would need to record a monthly average of 273,000 visitors in the remaining months, which was only reached in March during the high season.

Compared with the years before the COVID-19 pandemic, the decline in tourism is evident. In 2019, Cuba welcomed 4.2 million tourists, but this number drastically fell in the following years. In 2021, only 356,470 tourists visited the island, followed by an increase to 1.6 million in 2022 and 2.4 million in 2023. However, these numbers are far from the record years, and the recovery in tourism is slow compared to competing Caribbean destinations such as Punta Cana (Dominican Republic) and Cancún (Mexico), which are recovering from the pandemic more quickly.

The Cuban government has invested significant amounts in developing tourism infrastructure in recent years, such as constructing new hotels and other tourist facilities. However, these efforts

contrast sharply with the severe humanitarian crisis in the country, marked by shortages of food, medicine, and other basic goods. Despite these investments, the anticipated recovery of the Cuban tourism sector is still ongoing, further worsening the country's economic situation.

Tourism is vital to the Cuban economy, traditionally ranking as the third most important source of income after the exports of medical services and remittances from Cubans living abroad. Given the economic crisis that has plagued the country for four years, the decline in tourism is another blow to the already struggling Cuban economy. It remains to be seen whether Cuba will be able to turn around the tourism sector as hoped to increase the urgently needed foreign exchange flow once again.

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